

AMENDED IN SENATE SEPTEMBER 11, 2003

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY APRIL 22, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1154

Introduced by Assembly Member Frommer
(Coauthor: Senator Ortiz)

February 21, 2003

~~An act to add and repeal Section 127032 of the Health and Safety Code, relating to health planning, An act relating to the payment of judgments and settlement claims against the state, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1154, as amended, Frommer. ~~Office of Statewide Health Planning and Development: hiring freeze: exemption~~ *Claims against the state: appropriation.*

Existing law requires the Attorney General to report to the Legislature when there is no sufficient appropriation available for the payment of a claim against the state.

This bill would appropriate \$8,609,276 from the General Fund, \$9,150,500 from the Motor Vehicle Account in the State Transportation Fund, \$251,000 from the State Highway Account in the State Transportation Fund, and \$1,648,500 from the Motor Vehicle License Fee Account in the Transportation Tax Fund to the Attorney General to pay judgment, settlement, and interest claims in accordance with

specified schedules. It would appropriate \$7,926,000 from the Motor Vehicle Account in the State Transportation Fund to the Department of Motor Vehicles to pay a specified settlement claim. It would also reappropriate \$600,000 from an item in the Budget Act of 1999 to the Department of Housing and Community Development to pay a specified settlement claim.

~~Existing law requires the Office of Statewide Health Planning and Development to perform various functions and duties with respect to health facilities, health policy and planning, and health professions development.~~

~~Existing law establishes the Hospital Building Fund as a continuously appropriated fund for purposes of carrying out the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983.~~

~~This bill would exempt the office positions funded by the Hospital Building Fund from any hiring freezes and staff cutbacks until January 1, 2013.~~

~~The bill would also authorize the office to add positions funded by the Hospital Building Fund prior to January 1, 2006, in order to avoid undue delays of plan review and area compliance to support the implementation of the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

~~Vote: $\frac{2}{3}$. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.~~

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. The Legislature finds and declares all of the~~
- 2 ~~SECTION 1. The sum of seven million five hundred thousand~~
- 3 ~~dollars (\$7,500,000) is hereby appropriated from the General~~
- 4 ~~Fund to the Attorney General to pay for the judgment and interest~~
- 5 ~~in the case of Mark Bravo v. State of California, et al. (L.A. County~~
- 6 ~~Superior Court Case No. BC 105876).~~
- 7 ~~Any funds appropriated in excess of the amounts actually~~
- 8 ~~required for the payment of this judgment and interest claim shall~~
- 9 ~~revert to the General Fund on June 30 of the fiscal year in which~~
- 10 ~~the final payment is made.~~
- 11 ~~SEC. 2. The sum of one million one hundred nine thousand~~
- 12 ~~two hundred seventy-six dollars (\$1,109,276) is hereby~~

1 *appropriated from the General Fund to the Attorney General to*
2 *pay for the judgment in the case of Common Cause, et al. v. Bill*
3 *Jones (D.C., C.D. Cal. No. 01-3470 SVW (RZX)).*

4 *SEC. 3. The sum of seven million dollars (\$7,000,000) is*
5 *hereby appropriated from the Motor Vehicle Account in the State*
6 *Transportation Fund to the Attorney General to pay for the*
7 *settlement in the case of Lugtu v. California Highway Patrol (San*
8 *Diego County Superior Court, Case No. N76651 Court of Appeal*
9 *No. N040976).*

10 *SEC. 4. (a) The sum of two million one hundred fifty thousand*
11 *five hundred dollars (\$2,150,500) is hereby appropriated from the*
12 *Motor Vehicle Account in the State Transportation Fund to the*
13 *Attorney General to pay for the settlement and interest costs in the*
14 *case of Keep v. State of California, et al. (Los Angeles County*
15 *Superior Court, Case No. BC 244537).*

16 *(b) The sum of two hundred fifty-one thousand dollars*
17 *(\$251,000) is hereby appropriated from the State Highway*
18 *Account in the State Transportation Fund to the Attorney General*
19 *to pay the settlement and interest costs in the case of Keep v. State*
20 *of California, et al. (Los Angeles County Superior Court, Case No.*
21 *BC 244537).*

22 *(c) The sum of one million six hundred forty-eight thousand five*
23 *hundred dollars (\$1,648,500) is hereby appropriated from the*
24 *Motor Vehicle License Fee Account in the Transportation Tax*
25 *Fund to the Attorney General to pay the settlement and interest*
26 *costs in the case of Keep v. State of California, et al. (Los Angeles*
27 *County Superior Court, Case No. BC 244537).*

28 *(d) Any funds appropriated pursuant to this section in excess of*
29 *the amounts actually required for the payment of the settlement*
30 *and interest claims specified in this section shall revert to the fund*
31 *from which it is appropriated on June 30 of the fiscal year in which*
32 *the final payment is made.*

33 *SEC. 5. The sum of seven million nine hundred twenty-six*
34 *thousand dollars (\$7,926,000) is hereby appropriated from the*
35 *Motor Vehicle Account in the State Transportation Fund to the*
36 *Department of Motor Vehicles for the settlement in the case of*
37 *William Dare, et al. v. Department of Motor Vehicles (United*
38 *States District Court, Central District, Case No. CV96-5569 JSL*
39 *(ANX)).*

1 SEC. 6. *The sum of six hundred thousand dollars (\$600,000)*
2 *is hereby reappropriated from Item 2240-102-0001 of Section 2.00*
3 *of the Budget Act of 1999 (Chapter 50 of the Statutes of 1999) to*
4 *the Department of Housing and Community Development for the*
5 *settlement of Vega, et al. v. Richard Mallory, the California*
6 *Department of Housing and Community Development, et al.*
7 *(Sacramento County Superior Court, Case No. 97AS06548).*

8 SEC. 7. *This act is an urgency statute necessary for the*
9 *immediate preservation of the public peace, health, or safety*
10 *within the meaning of Article IV of the Constitution and shall go*
11 *into immediate effect. The facts constituting the necessity are:*

12 *In order to pay judgments and settlement claims against the*
13 *state and end hardship to claimants as quickly as possible, it is*
14 *necessary for this act to take effect immediately.*

15 *following:*

16 ~~(a) Under the Alfred E. Alquist Hospital Facilities Seismic~~
17 ~~Safety Act of 1983 (HFSSA) (Chapter 1 (commencing with~~
18 ~~Section 129675) of Part 7 of Division 107 of the Health and Safety~~
19 ~~Code), California general acute care inpatient hospital buildings~~
20 ~~are required to meet life safety standards by 2008. Hospitals may~~
21 ~~be eligible for up to a five-year extension of the 2008 deadline. The~~
22 ~~act also requires all general acute care inpatient hospital buildings~~
23 ~~to be in substantial compliance with the HFSSA by 2030.~~

24 ~~(b) The purpose of the mandate is to ensure that hospital~~
25 ~~patients and workers are safe during an earthquake and that the~~
26 ~~public can access hospital services following an earthquake. The~~
27 ~~California Healthcare Association conservatively estimates the~~
28 ~~cost of the seismic mandate at \$24 billion without financing costs.~~
29 ~~The RAND Corporation estimates the mandate could cost as much~~
30 ~~as \$41 billion without financing costs.~~

31 ~~(c) The Office of Statewide Health Planning and Development~~
32 ~~(OSHDP) conducts plan review and area compliance of all~~
33 ~~hospital projects. General Fund money does not pay for OSHDP~~
34 ~~Facilities Development Division (FDD) costs. The costs are paid~~
35 ~~for by hospitals through a 1.64 percent fee assessed on a project's~~
36 ~~cost.~~

37 ~~(d) OSHDP's goal is to complete the initial review of a project~~
38 ~~in 60 days and to complete any subsequent reviews in 30 days. For~~
39 ~~a major project, such as a new hospital, OSHDP estimates the time~~
40 ~~to review the initial project and all subsequent checks necessary to~~

1 complete the review is one year. Due to the review process and the
2 stricter seismic standards, it takes approximately five years to
3 build and open a new hospital in California. This compares to the
4 two to three years it would take to build a similar hospital in most
5 other states. The existing plan review and area compliance process
6 adds considerably to California hospital's construction costs.

7 ~~(e) With the large number of projects being submitted to~~
8 ~~OSHPD FDD to meet the seismic compliance standards, delays of~~
9 ~~one week could add millions of dollars to costs to California~~
10 ~~hospital construction and retrofits.~~

11 ~~(f) Therefore, it is essential that OSHPD FDD has adequate~~
12 ~~resources to carry out the plan review and area compliance~~
13 ~~activities required by the seismic mandate. To ensure that this~~
14 ~~occurs, the OSHPD FDD needs to be exempt from any state hiring~~
15 ~~freezes and staff budget cuts until the mandate is met by January~~
16 ~~1, 2013.~~

17 ~~SEC. 2. Section 127032 is added to the Health and Safety~~
18 ~~Code, to read:~~

19 ~~127032. (a) Notwithstanding Section 12439 of the~~
20 ~~Government Code or any other provision of law, the office~~
21 ~~positions funded by the Hospital Building Fund shall be exempt~~
22 ~~from any hiring freezes and staff cutbacks.~~

23 ~~(b) The office may add positions funded by the Hospital~~
24 ~~Building Fund prior to January 1, 2006, in order to avoid undue~~
25 ~~delays of plan review and area compliance to support the~~
26 ~~implementation of the Alfred E. Alquist Hospital Facilities~~
27 ~~Seismic Safety Act of 1983 (Chapter 1 (commencing with Section~~
28 ~~129675) of Part 7).~~

29 ~~(c) The addition of positions authorized by this section is~~
30 ~~contingent upon the office providing notification regarding these~~
31 ~~positions to the Joint Legislative Budget Committee.~~

32 ~~(d) This section shall remain in effect only until January 1,~~
33 ~~2013, and as of that date is repealed, unless a later enacted statute,~~
34 ~~that is enacted before January 1, 2013, deletes or extends that date.~~

35 ~~SEC. 3. This act is an urgency statute necessary for the~~
36 ~~immediate preservation of the public peace, health, or safety~~
37 ~~within the meaning of Article IV of the Constitution and shall go~~
38 ~~into immediate effect. The facts constituting the necessity are:~~

39 ~~In order to ensure that hospitals do not incur costly construction~~
40 ~~delays due to inadequate staffing of the Office of Statewide Health~~

- 1 ~~Planning and Development, it is necessary that this act take effect~~
- 2 ~~immediately.~~

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